# Improving the Tradecraft in Services Acquisition

## Services Acquisition Training

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Director
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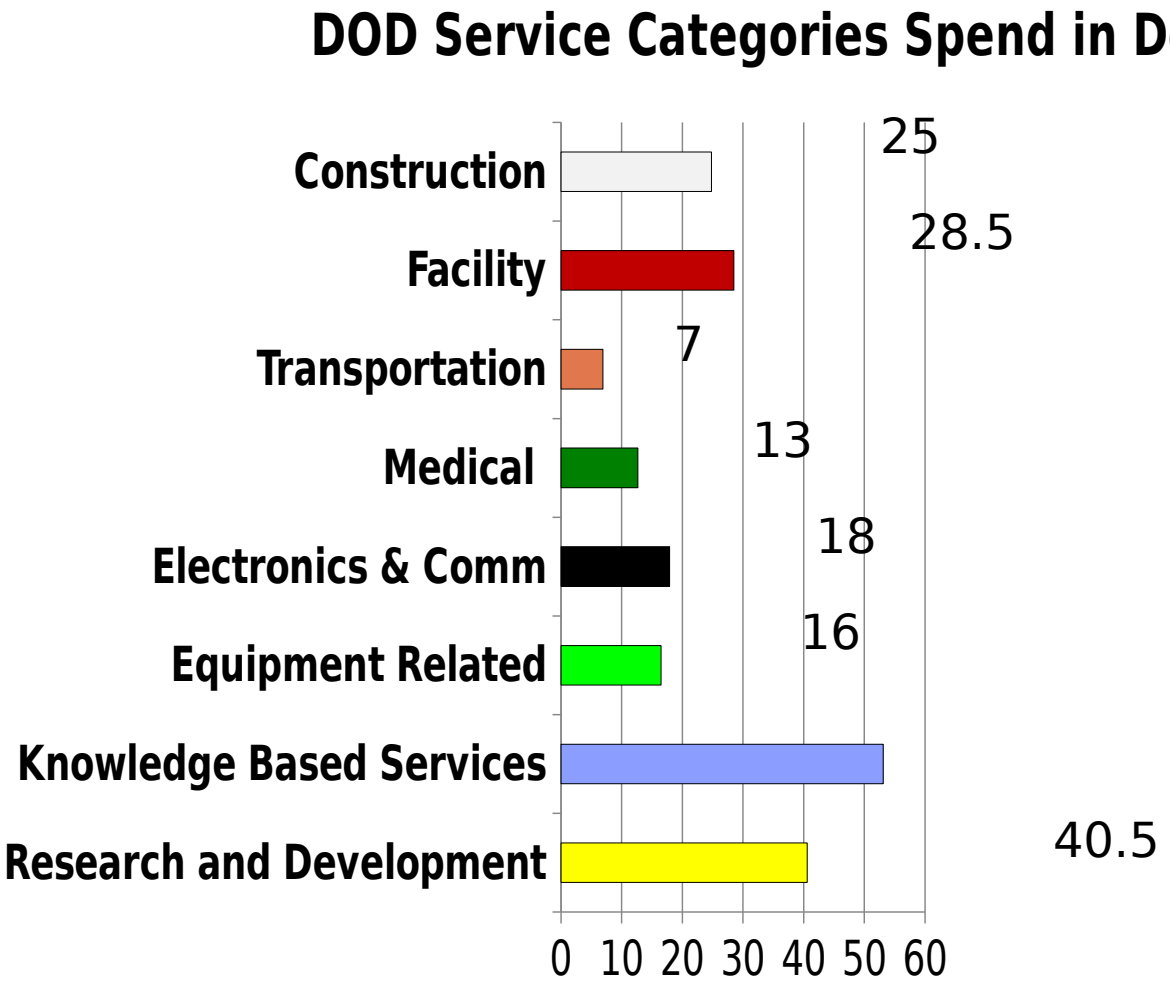
# DOD FY 10 Dollars Spent

## DoD Total Contract Spend: $ 367 Billion

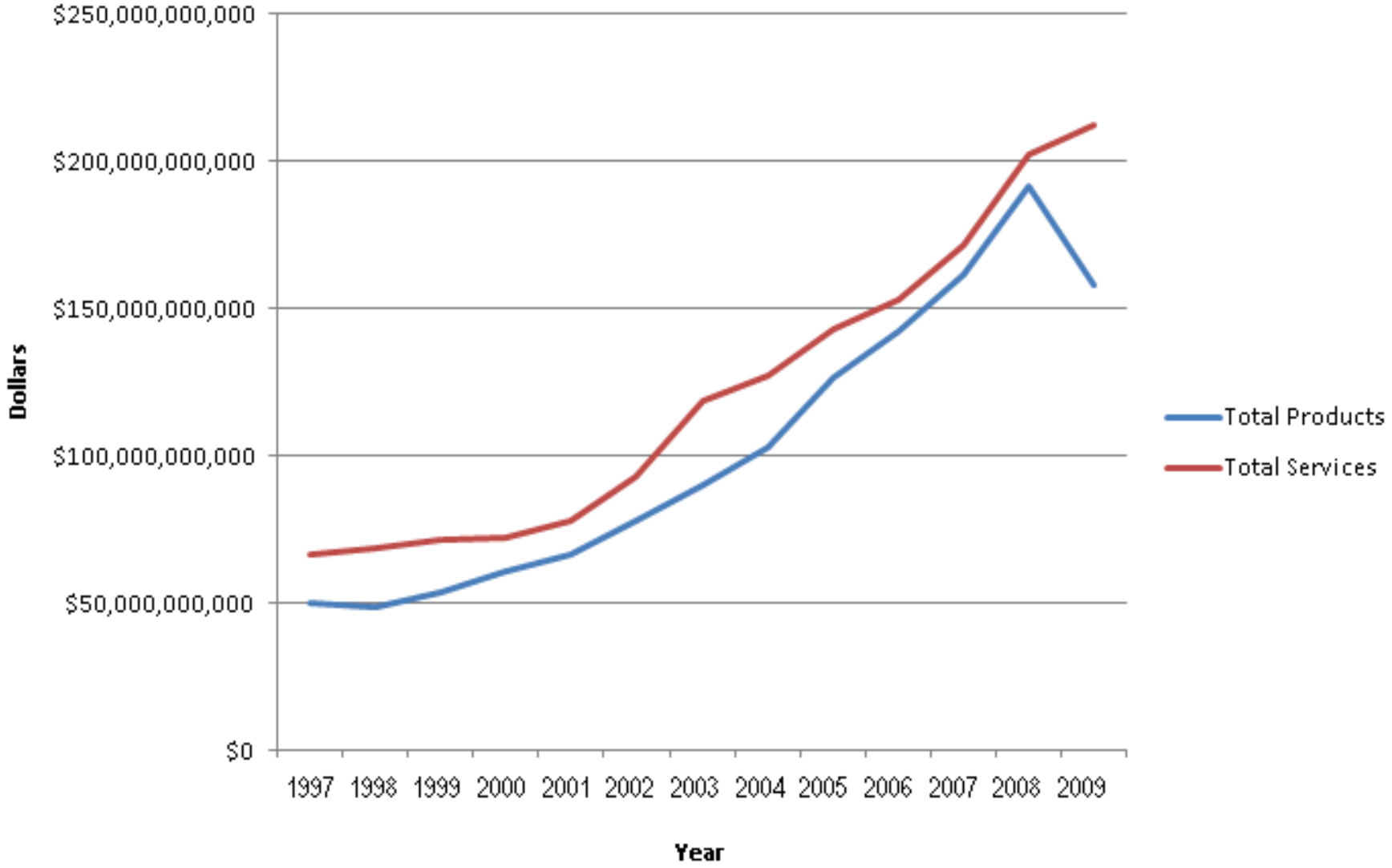



Equipment Contracts:
$166 Billion 45%

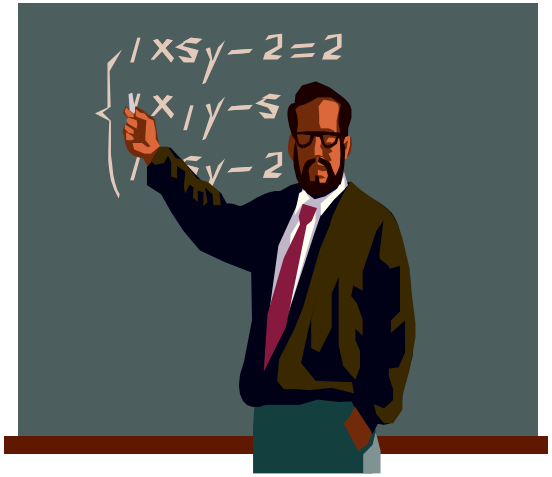
**Service Contracts**
**$ 201 Billion**
**55%**

Source: FPDSNG

# Trends in DOD Contract Spending



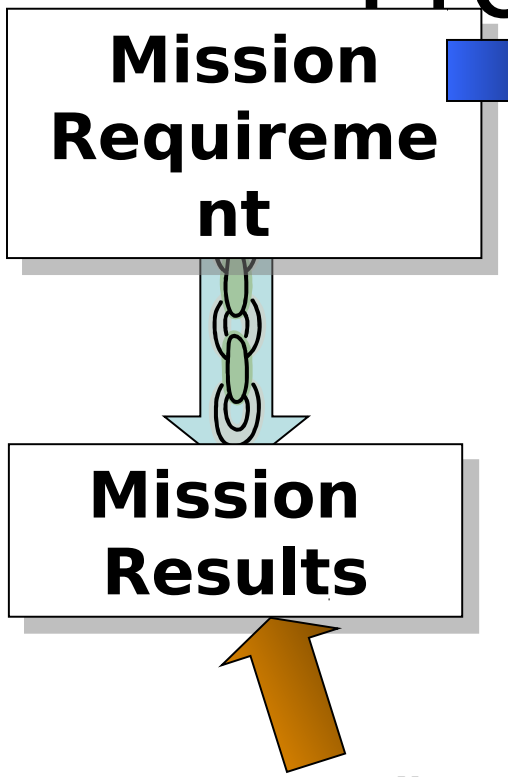
# ACQ 265 Mission Focused Services



- DAU Catalog course (launched 2007)
  - 4 Days in length
- Designed for cross functional participation
  - Technical, contracting, CORs, PMs, etc
- Walk thru all elements of the Seven Step Service Acquisition process
- Use student service acquisition project or USMC food service contract case

- Using Requirements Roadmap process students develop:
  - Performance requirements
  - Acquisition strategy, contract type and incentive structure
  - Section L and M evaluation factors
  - Performance assessment strategy

# Framework for the Service Acquisition Process




**Plan**

**1. Form the Team**
- Leadership Support
- Build the Team

**2. Review Current Strategy**
- Conduct Historical Analysis
- Define Stakeholder & Customer needs

**3. Market Research**
- Analyze Market
- Identify suppliers

**4. Requirements Definition**
- Draft Requirements Roadmap
- Define Requirement

**Develop**

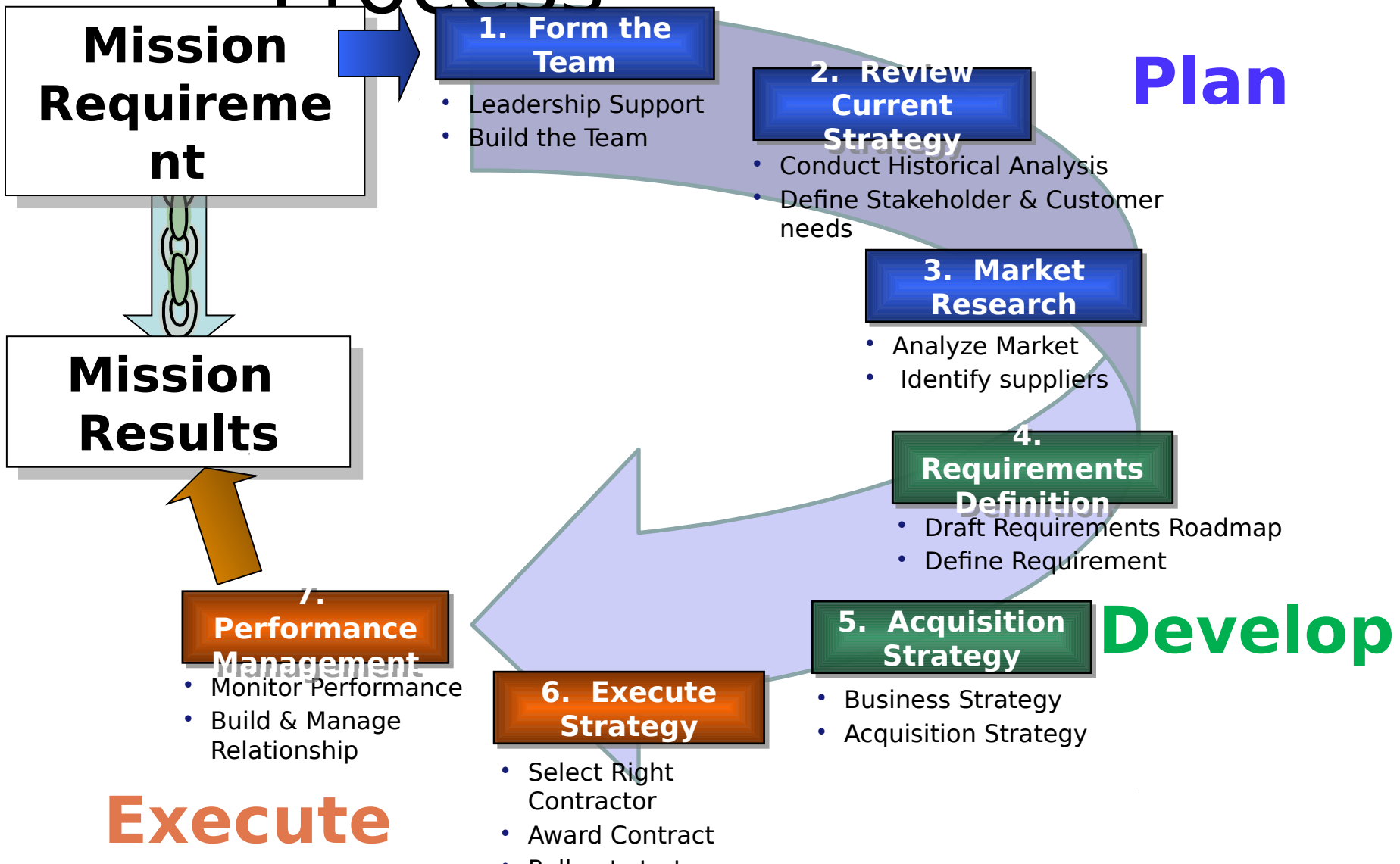
**5. Acquisition Strategy**
- Business Strategy
- Acquisition Strategy

**6. Execute Strategy**
- Select Right Contractor
- Award Contract

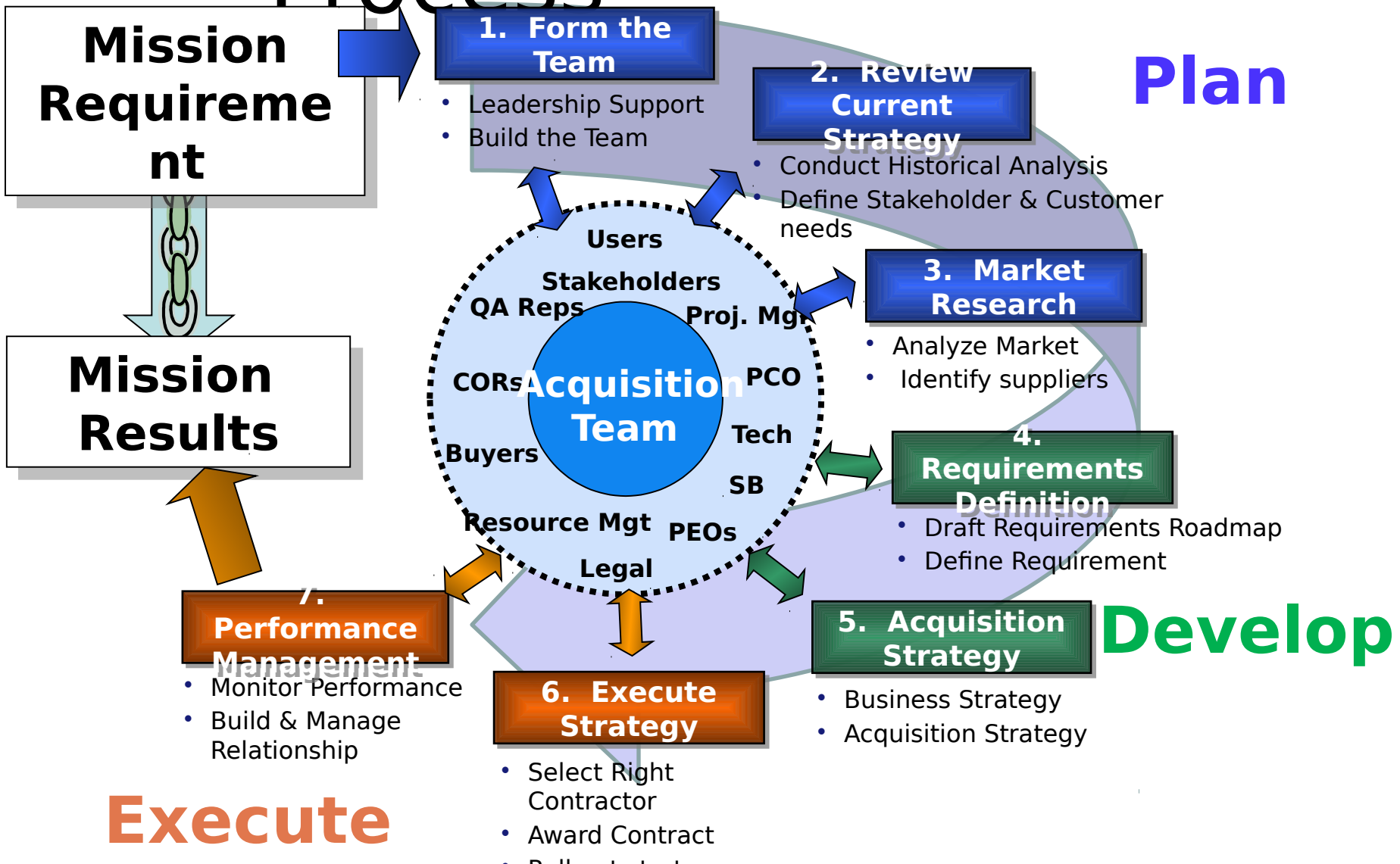
**Execute**

**7. Performance Management**
- Monitor Performance
- Build & Manage Relationship

# Framework for the Service Acquisition Process



# Framework for the Service Acquisition Process



# Requirements Roadmap provides PWS/QASP Development Structure

*Acquisition Vision Stakeholder Outcomes*
- ***A…***
- ***B…***
- ***C…***

## Requirements Roadmap Worksheet

| ***High Level Objectives*** | ***Performance*** | | | ***Inspection*** | | | | ***Incentive*** |
|---|---|---|---|---|---|---|---|---|
| | *Performance Elements* | *Standard* | *AQL* | *What* | *How* | *Who* | *Metric* | *Type* |
| *A….* | *A -1* | | | ***Alignment*** | | | | |
| | *A -2* | | | | | | | |
| | *A -3* | *A -3 a* | | | | | | |
| | | *A -3 b* | | | | | | |
| *B….* | *B -1* | | | | | | | |
| | *B -2* | | | | | | | |

# Roadmap provides linkage for PWS, QASP and Acquisition Approach

Acquisition Vision
Stakeholder Desired Outcomes
- A.....
- B.....
- C....

**Developed in Steps 1, 2 & 3**

**Requirements Roadmap**

| Objective | Standards | AQL | Inspection | Incentive |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |

**Developed in Step 4**

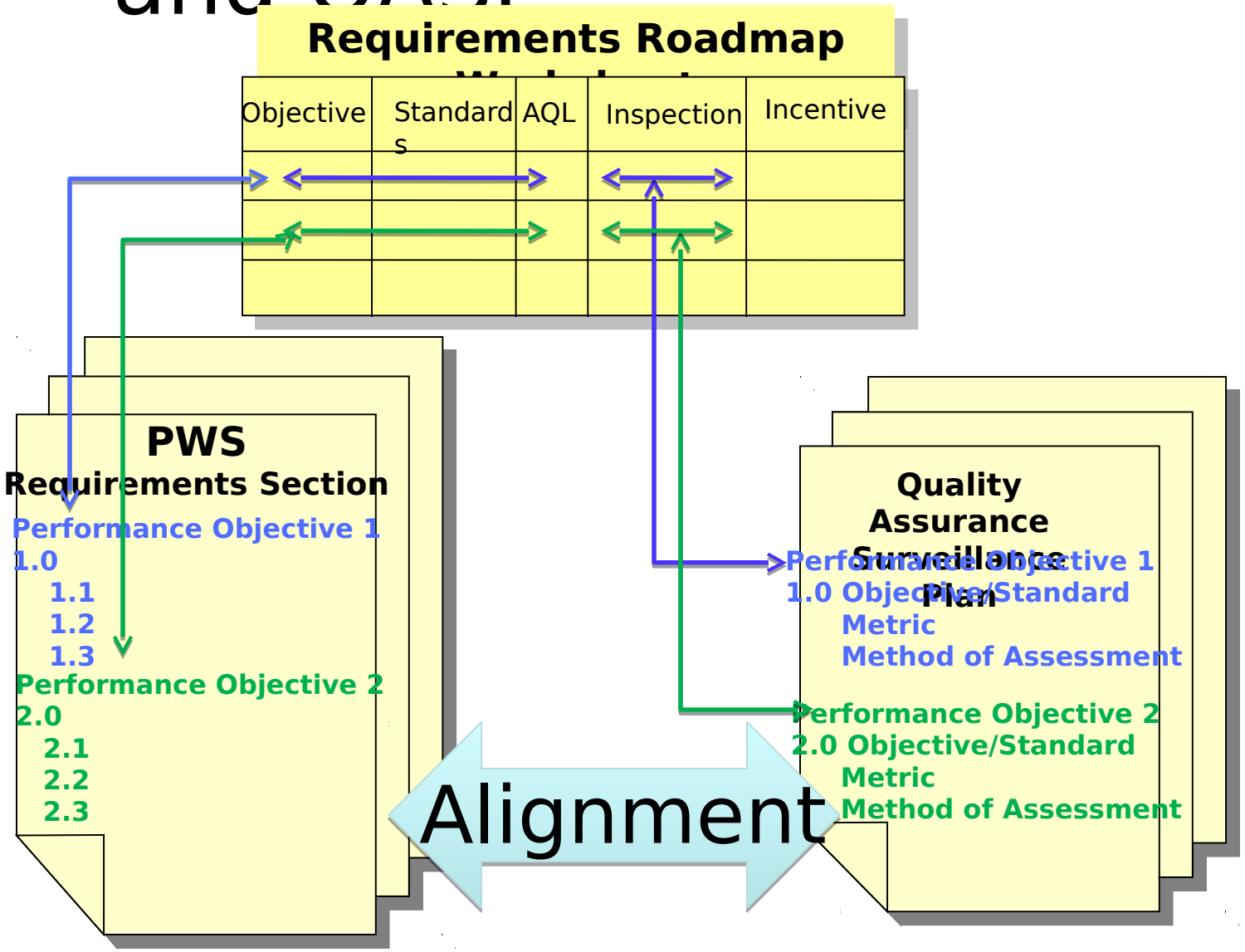
**Performance Work Statement or SOO**

**Quality Assurance Surveillance Plan**

**Business Strategy Evaluation Factors for Section M**

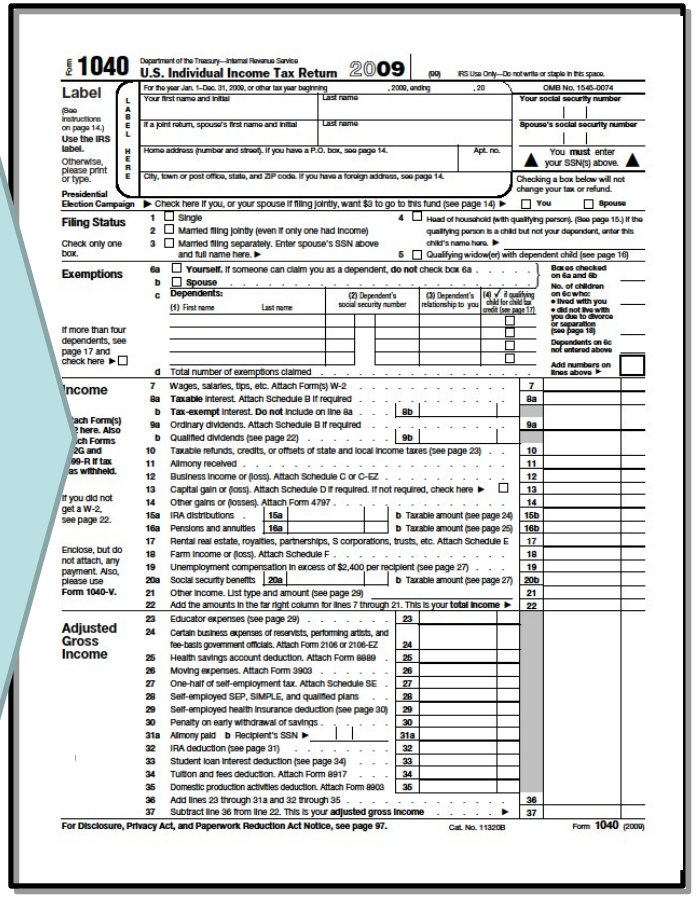
**Developed in Step 5**

# Provides disciplined approach for linking PWS and QASP



# Automated Requirements Roadmap Tool (ARRT)'s Template Approach for developing Service Requirements Documents

- "Turbo Tax" guides the user through the process of filling in the blanks of a tax form template
- Asks the user relevant questions
- Provides samples and explanations to complete a tax return



Form **1040** Department of the Treasury—Internal Revenue Service **U.S. Individual Income Tax Return** **2009**

(99) IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2009, or other tax year beginning , 2009, ending , 20 OMB No. 1545-0074

**Label** (See instructions on page 14.) Use the IRS label. Otherwise, please print or type. Presidential Election Campaign

Your first name and initial | Last name | Your social security number

If a joint return, spouse's first name and initial | Last name | Spouse's social security number

Home address (number and street). If you have a P.O. box, see page 14. | Apt. no. | You must enter your SSN(s) above.

City, town or post office, state, and ZIP code. If you have a foreign address, see page 14. | Checking a box below will not change your tax or refund.

▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund (see page 14) ▶ ☐ You ☐ Spouse

**Filing Status** Check only one box.

1 ☐ Single
2 ☐ Married filing jointly (even if only one had income)
3 ☐ Married filing separately. Enter spouse's SSN above and full name here. ▶
4 ☐ Head of household (with qualifying person). (See page 15.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
5 ☐ Qualifying widow(er) with dependent child (see page 16)

**Exemptions**

6a ☐ **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b ☐ **Spouse**
c **Dependents:** (1) First name Last name | (2) Dependent's social security number | (3) Dependent's relationship to you | (4) ✓ if qualifying child for child tax credit (see page 17)

If more than four dependents, see page 17 and check here ▶ ☐

d Total number of exemptions claimed

Boxes checked on 6a and 6b
No. of children on 6c who:
• lived with you
• did not live with you due to divorce or separation (see page 18)
Dependents on 6c not entered above
Add numbers on lines above ▶

**Income**

| | | | |
|---|---|---|---|
| 7 | Wages, salaries, tips, etc. Attach Form(s) W-2 | | 7 |
| 8a | **Taxable** interest. Attach Schedule B if required | | 8a |
| b | **Tax-exempt** interest. **Do not** include on line 8a | 8b | |
| 9a | Ordinary dividends. Attach Schedule B if required | | 9a |
| b | Qualified dividends (see page 22) | 9b | |
| 10 | Taxable refunds, credits, or offsets of state and local income taxes (see page 23) | | 10 |
| 11 | Alimony received | | 11 |
| 12 | Business income or (loss). Attach Schedule C or C-EZ | | 12 |
| 13 | Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐ | | 13 |
| 14 | Other gains or (losses). Attach Form 4797 | | 14 |
| 15a | IRA distributions 15a | b Taxable amount (see page 24) | 15b |
| 16a | Pensions and annuities 16a | b Taxable amount (see page 25) | 16b |
| 17 | Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E | | 17 |
| 18 | Farm income or (loss). Attach Schedule F | | 18 |
| 19 | Unemployment compensation in excess of $2,400 per recipient (see page 27) | | 19 |
| 20a | Social security benefits 20a | b Taxable amount (see page 27) | 20b |
| 21 | Other income. List type and amount (see page 29) | | 21 |
| 22 | Add the amounts in the far right column for lines 7 through 21. This is your **total income** ▶ | | 22 |

If you did not get a W-2, see page 22.

Enclose, but do not attach, any payment. Also, please use **Form 1040-V.**

**Adjusted Gross Income**

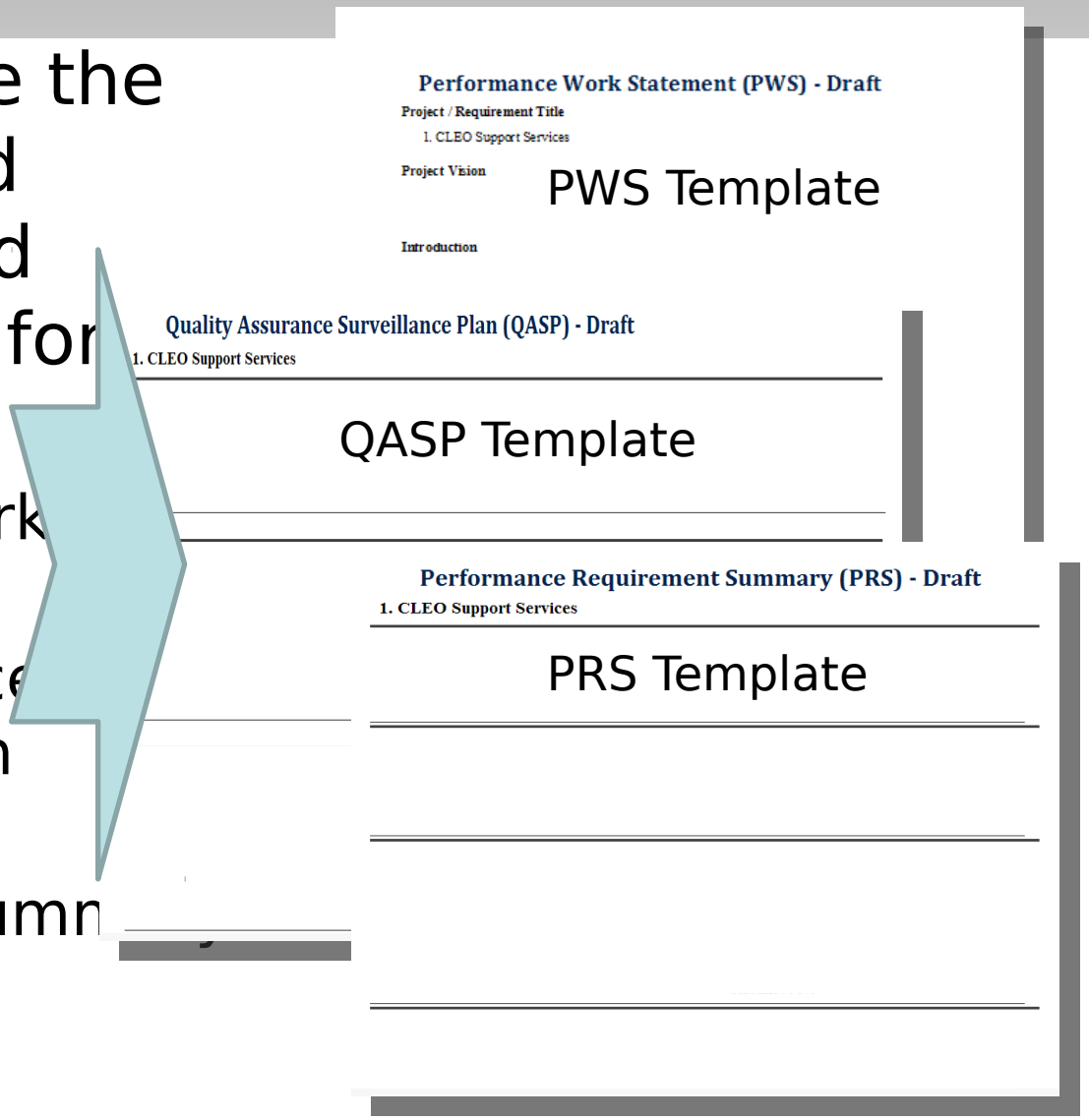
| | | | |
|---|---|---|---|
| 23 | Educator expenses (see page 29) | 23 | |
| 24 | Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ | 24 | |
| 25 | Health savings account deduction. Attach Form 8889 | 25 | |
| 26 | Moving expenses. Attach Form 3903 | 26 | |
| 27 | One-half of self-employment tax. Attach Schedule SE | 27 | |
| 28 | Self-employed SEP, SIMPLE, and qualified plans | 28 | |
| 29 | Self-employed health insurance deduction (see page 30) | 29 | |
| 30 | Penalty on early withdrawal of savings | 30 | |
| 31a | Alimony paid b Recipient's SSN ▶ | 31a | |
| 32 | IRA deduction (see page 31) | 32 | |
| 33 | Student loan interest deduction (see page 34) | 33 | |
| 34 | Tuition and fees deduction. Attach Form 8917 | 34 | |
| 35 | Domestic production activities deduction. Attach Form 8903 | 35 | |
| 36 | Add lines 23 through 31a and 32 through 35 | | 36 |
| 37 | Subtract line 36 from line 22. This is your **adjusted gross income** ▶ | | 37 |

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 97. Cat. No. 11320B Form **1040** (2009)

**Tax Template**

# DAU is developing the same approach

- ARRT will provide the user a structured methodology and thought process for completing:
  - Performance Work Statement
  - Quality Assurance Surveillance Plan
  - Performance Requirements Summ



# The ARRT's templates will generate your Draft MS Word Documents

## Performance Requirement Summary (PRS) - Draft

**1. CLEO Support Services**

**3.1 Provide Financial Management Services**

| Performance Elements | | Standards |
|---|---|---|
| 3.1.1 | Provide and support Financial Management Program for CLEO System. | |

**3.4 Provide Acquisition Management Services**

| Performance Elements | | Standards |
|---|---|---|
| 3.4.1 | Analyze, develop, gather, generate, support, and integrate Acquisition Strategy Development for Progra | Compliant with applicable standards (FAR and supplements, DoD 5000.2, DoD Policy and |

**3.3 Provide Administrative S**

| Performance Elements | | |
|---|---|---|
| 3.3.1 | Develop, generate, prod retrieve briefings, meetin correspondance, and do System. | |

**3.2 Provide Engineering Ov**

| Performance Elements | | |
|---|---|---|
| 3.2.1 | Provide and support Eng CLEO System. | |

## Quality Assurance Surveillance Plan (QASP) -

**1. CLEO Support Services**

**3.1 Provide Financial Management Services**

| Performance Elements | | Standards |
|---|---|---|
| 3.1.1 | Provide and support Financial Management Program for CLEO System. | |

**3.4 Provide Acquisition Management Services**

| Performance Elements | | Standards |
|---|---|---|
| 3.4.1 | Analyze, develop, gather, generate, support, and integrate Acquisition Strategy Development for Program Office. | Compliant with applicable standards (FAR and supplements, DoD 5000.2, DoD Policy and procedures) : 100% compliance |

**3.3 Provide Administrative Services**

| Performance Elements | | Standards |
|---|---|---|
| 3.3.1 | Develop, generate, produce, provide, and retrieve briefings, meeting minutes, correspondance, and documentation for CLEO System. | No substantive or repeated flaws : 100 %<br>In required format : 95% on initial submission<br>Accurate : 95% on initial submission<br>Deliverables are made in accordance with schedule : 98% |

## Performance Work Statement (PWS) - Draft

**Project / Requirement Title**

1. CLEO Support Services

**Project Vision**

Provide necessary Knowledge Based Service to support the acquisition of a persistant threat assessment (Eye in the Sky) capability to detect and deter hostile aactivity and terrorist threat

**Introduction**

Threats have increased in both frequency, type and complexity. This creates a need to provide a new, non developmental, UAV capability to replace existing legacy systems that have become too expensive to operate, unable to address all known and emering threats; and,are experiencing obsolescence

This will be a joint service program, requiring multi service particiaption and intense operator involvement

**Background**

Legacy systems cannot address all known and emerging threats.

US military operations in current conflicts are demanding more persistent and improved intelligence gathering and dissemination that cannot be satisfied by existing systems because of both operational and architectural constraints

It is anticipated that CLEO will be able to carry different payloads that support the various missions in conflict areas

The CLEO Program Office currently consists of a small cadre of core personnel and must be supplemented through the acquisition of Knowledge Based Services (KBS). Specific KBS are required in the functional areas of Administrative Services, Engineering, Acquistion Management and Financial Management.

KBS will supplement the organic workforce with advisory and assistance expertise to assure successful program execution.

**General Requirements**

Location(s) of Work (such as on or off Government premises), Security (Top Secret), Travel (JTR dherence and prior approval), Billable Hours, Personnel Administration, Government hours of operation, Holidays, Contractor Identification,

**Objectives**

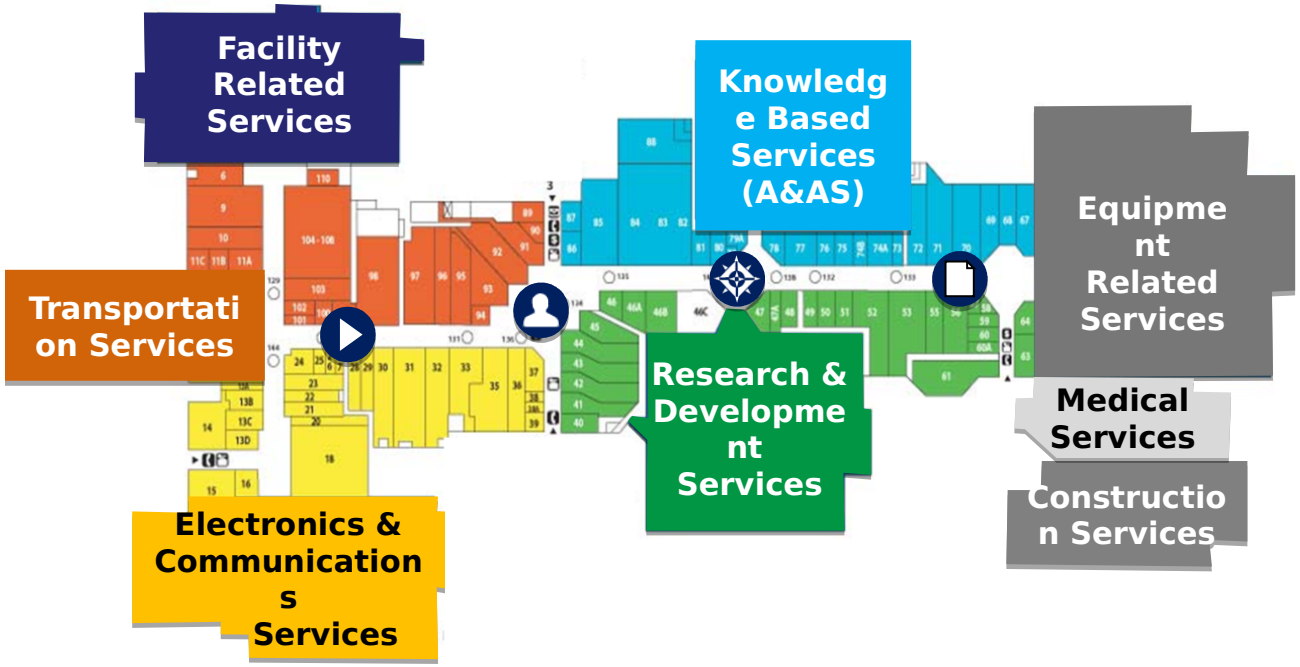
**3.1 Provide Financial Management Services**

# Service Acquisition Workshop - SAW

- Just in time, intact team training (Started Jan 2009)
  - 4 Days in length
  - ***Requires*** participation of *all key members* of *acquisition team*
- Focused on team's specific acquisition
- Utilizes Seven Step Service Acquisition Process
- Needs organizational leadership support

- Special focus on developing performance based requirements, business strategies, and assessment strategies
  - Multiple interactive learning sessions enable team to apply the learning to their requirement and make progress
  - Develop Requirements Roadmap and other key documents
- Support 2 SAWs per month across DAU with section 852 funding
  - No cost to requesting activity

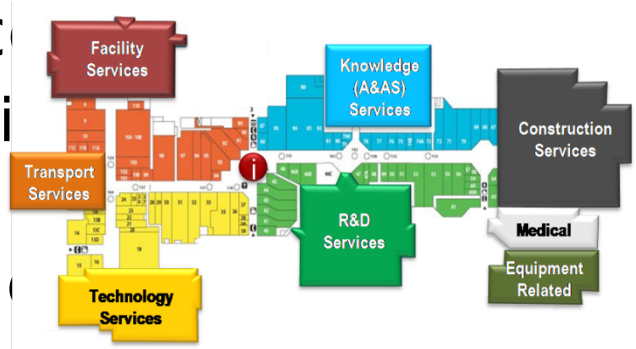
# Service Acquisition Mall - SAM




- Integrates Sourcing Process and Learning assets with Product Service Code Knowledge
  - Utilizes same sourcing process contained in SAW and ACQ 265
- Aligns with DPAP Service Taxonomy
- http://sam.dau.mil

# ARRT Status

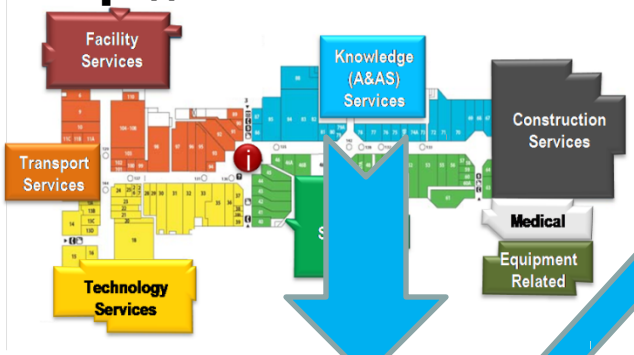
- Schedule
  - Beta field usability testing began Jan 2011
  - Developmental testing starts April 2011
  - Target deployment date July 2011 (A&AS Services only)
- Tool will be contained in the Service Acquisition Mall as a downloadable MS Acc
  - Training on how to use the tool wi in ARRT
- Uses will generate their docum their within their own secure networks




**http://sam.dau.mil**

# SAM / ACC / ARRT

**Service Acquisition Mall**
**http://sam.dau.mil**



**Knowledge Base**
**Services Store**

**Market Knowledge**

Existing Contracts
Market Competition
Commercial Acquisition Practices
PIPRS link

**Portfolio Knowledge**

**Engineering Mgt Svs**
**Program Mgt Svs**
**Logistics Mgt Svs**
**Management Support Svs**
**Administrat & Other Svs**
**Professional Svs**
**Education & Training Svs**

- Successful Acquisition Practices
- ARRT Data Sets (Downloadable)
  Sample Results
  Sample Standards

**Work Product Training**

Team Charter, Project Plan
Communication Plan
Roadmap Development
PWS and QASP Overview
Service Acq Process Training

# Requesting the ARRT Tool

**Acquisition Community Connection**
**https://acc.dau.mil/ace**

- **Enter SAM or ACE for Services Site in ACC**
- ✓ **Requester will be taken to ACE site (seamless)**
- ✓ **Requester will register their information**
  - **Name and Email**
  - **Type of Service most frequently used**
- ✓ **Requester will be sent a key to download ARRT and overview training**
- ✓ **Users automatically included in COP for the services they entered**

# LCOE Service Acquisition Support

## *Knowledge Sharing*

### SAM
### Service Acquisition Mall

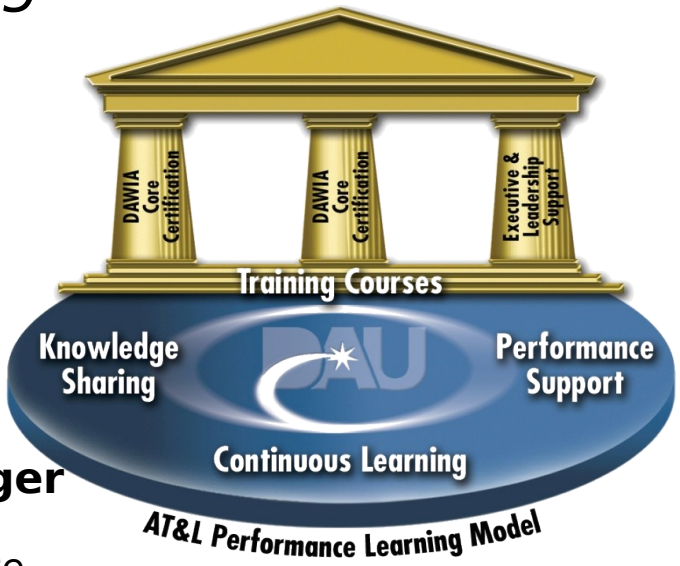
Web based, Organized by service type, Integrated training, best practices and samples and examples

### Research
### nowledge Portfolio Manager

Research and analyze commercial service acquisition practices and document in market research advisory

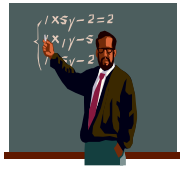
### Continuous Learning

CLC 013
Service Acquisition




## *Classroom*

### ACQ 265
### Mission Focused Services



Case based course
Application of Service Acquisition Process
4 Days in Length

## *Mission Assistance*

### SAW
### Service Acquisition Workshop

Team Based, Just in Time,
Acquisition specific
Facilitated 4 Day workshop

### Senior Leader Overview

Adjustable 2 to 4 hour
Focus on key process elements and need for their involvement

### Service Acquisition

Overview training
Application case General in nature